Jammu & Kashmir, Madhya Pradesh, Manipur, Rajasthan, Sikkim, Tamil Nadu, Tripura, West Bengal and Daman & Diu revealed that funds aggregating Rs. 85.88 crores, which pertain to Special Central Assistance to Tribal Sub Plan were diverted to other schemes/activities. These observations are based on sample check of documents for the period 1992-98 of the Ministry and the implementing departments and agencies of 17 States and one U.T. The matter has been taken up with the State Govts, concerned.

(b) In order to ensure timely utilization of funds provided for the welfare and upliftment of Scheduled Tribes and minimize the scope for diversion of funds, the following measures have been taken:—

1. Utilization Certificates are insisted upon as a pre-requisite for further release of funds;

2. Periodic progress reports regarding the status of implementation of schemes are obtained;

3. Central Government Officers visit the States/UTs for ascertaining, on-the spot, the progress of implementation of schemes;

4. Meetings/conferences are convened at central level with State Secretaries of Tribal Welfare to ensure timely submission of proposals for the release of funds and to speed up implementation of schemes;

5. At the State level, the agencies like Tribal Advisory Council, Project Implementation Committees of ITDPs at Block levels and Panchayat Samities monitor timely spending of funds and effective implantation of schemes.

**Withdrawal of Singapore Airlines from AI Disinvestment Process**

* 20. SHRIK. RAHMAN KHAN: Will the Minister of DISINVESTMENT be pleased to state:

(a) the reasons for withdrawal of Singapore Airlines from the process of disinvestment of Air India; and

(b) the precautionary measures taken to prevent such withdrawal from the disinvestment process?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Singapore Airlines Limited (SIA) have stated the following reasons for their withdrawal from the disinvestment process of Air India;

(i) Intensity of opposition to the privatisation of Air India from various quarters including certain sections of political groups, trade unions and the media;

(ii) Slowdown of the world economy affecting the international airline business; and

(iii) SIA's investments in Australasia demanding more attention and requiring commitment of substantial financial resources.

(b) Each of the disinvestment transactions is undertaken through a transparent process and the Agreements are finalised based on the comments/ concerns of the bidders. Thus, no precautionary measures are warranted in case any party/ parties withdraw for their internal reasons.

**Financial Crisis in the North-Eastern States**

1. DR. MANMOHAN SINGH.
SHRI W. ANGOU SINGH:

Will the Minister of DEVELOPMENT OF NORTH EASTERN REGION be pleased to state:

(a) whether Government are aware of the fact that the States of North-Eastern Region are now facing financial crisis and are not able to pay the employees' salaries even;

(b) if so, the different measures taken by Government to meet the present financial crisis in the North-Eastem States; and

(c) the existing financial position of each State of North-Eastem Region?

THE MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI ARUN SHOURIE): (a) to (c) Among the North Eastern States, the financial position of Assam and Manipur in particular is extremely difficult. The State Government of Assam and Manipur have been facing frequent was and means problems and their payments are suspended frequently by the RBI, in accordance with the Overdraft Regulation Scheme. Thr is mainly because of their inability to tap additional resources and reduce non-plan expenditure.

The financial management of States including the payment of salaries to their employees is primarily the responsibility of the concerned State Governments, who are expected to take the measures from time to time to